



THE CITY OF BRANDON

2008

FINANCIAL REPORT

**BDO DUNWOODY LLP
CHARTERED ACCOUNTANTS
BRANDON - MANITOBA**

FINANCIAL

REPORT

2008

CITY OF BRANDON
MANITOBA

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CITY OF BRANDON

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(ALL AMOUNTS HAVE BEEN ROUNDED OFF TO THE NEAREST DOLLAR)

AUDITOR'S REPORT

AUDITORS' REPORT

TO THE MAYOR AND COUNCILLORS
CITY OF BRANDON
BRANDON, MANITOBA

We have audited the balance sheets of the City of Brandon as at December 31, 2008 and the statements of revenue and expenditures, changes in surplus, and source and application of capital funds for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2008 and the results of its operations for the year then ended in accordance with accounting principles generally accepted for municipal corporations in Manitoba applied on a basis consistent with that of the preceding year.

We have also issued a supplementary report as required under section 190(2) of the Municipal Act.

Brandon, Manitoba
March 27, 2009


CHARTERED ACCOUNTANTS

CITY OF BRANDON

STATEMENT 1

GENERAL OPERATING FUND BALANCE SHEET
AS AT DECEMBER 31, 2008

ASSETS

CASH

Cash on hand		3,835	
Cash on deposit		5,181,762	
Deposit Receipts			5,185,597

RECEIVABLES

Tax assets - Schedule 1		2,139,632	
Government Grants - Schedule 3		487,792	
Own Funds and Agencies			
Utility Operating Fund	287,489		
Utility Capital Fund			
General Capital Fund	2,968,028		
Reserves			
Trusts			3,255,517
Operating Accounts Receivable			
Organizations and Individuals	2,624,600		
Federal Government	1,071,783		
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			3,696,383
Other Receivables			
Sub Total			9,579,324
Less: Allowances for Doubtful Accounts			
Other Allowances			9,579,324

INVESTMENTS - SCHEDULE 6			23,708,015
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INVENTORIES			1,872,558
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PREPAID EXPENSES			169,569
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TOTAL ASSETS			40,515,063
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LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS

Chartered Banks			
Other Financial Institutions			
Other Funds			
Other			

PAYABLES

School Levies - Schedule 4		970,143	
Own Funds and Agencies			
Utility Operating Fund			
Reserves	25,072,015		
Trusts	1,206,086		
Other			26,278,101
Operating Accounts Payable			
Organizations and Individuals	10,956,034		
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			10,956,034
Debenture Instalments		165,615	38,369,893

OTHER LIABILITIES

Land Sale Deposits			
Debenture Levies in Advance			
Prepaid taxes		287,925	
Deferred Revenue			287,925

TOTAL CURRENT LIABILITIES			38,657,818
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ALLOWANCE FOR TAX ASSETS - STATEMENT 8			500,916
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NOMINAL SURPLUS - STATEMENT 8			1,356,329
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TOTAL LIABILITIES AND SURPLUS			40,515,063
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COMMITMENTS AND CONTINGENCIES (Note 3)

CITY OF BRANDON

STATEMENT 2

GENERAL RESERVE FUND BALANCE SHEET

AS AT DECEMBER 31, 2008

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
Affordable Housing			151,940		151,940
Ambulance			263,110		263,110
Andrews Field			47,783		47,783
Brandon Municipal Airport			404,297		404,297
Capital Development			1,450,085		1,450,085
Centennial Auditorium			378,571		378,571
Civic Services Complex			233,498		233,498
Clare Ave Extension			223,649		223,649
Cumulative Benefits			302,283		302,283
Disposal Site (Sanitation)			1,201,560		1,201,560
Dyking and Flood Control			830,813		830,813
E-911 Equipment			188,283		188,283
Elections			190,179		190,179
Fire Fighting Equipment			472,352		472,352
Fire Vehicles			1,073,929		1,073,929
Gas Tax			1,097,866		1,097,866
General			1,043,618		1,043,618
Gravel Pit			222,235		222,235
Kirkcaldy Heights			115,000		115,000
Land Acquisition			383,159		383,159
Library / Arts Building			70,172		70,172
Machinery and Equipment			1,548,636		1,548,636
Major Event Hosting			120,806		120,806
Municipal Building			29,610		29,610
Municipal Building Maintenance			52,756		52,756
Office Equipment			796,552		796,552
Parks			966,349		966,349
Perpetual Care			475,497		475,497
Police Equipment			235,898		235,898
Police Vehicles			393,153		393,153
Professional Fees			81,183		81,183
Protective Services Building			643,920		643,920
Recreation Centre			336,373		336,373
Snow Clearing			262,615		262,615
Social Development			8,570		8,570
Sportsplex			680,513		680,513
Storm Sewer			1,908,655		1,908,655
Traffic Control Devices			85,546		85,546
Transit Funding			737,841		737,841
Transit Equipment			3,377,636		3,377,636
26th Street, South of Maryland			137,929		137,929
8th Street Bridge			1,847,595		1,847,595
TOTAL			25,072,015		25,072,015

CITY OF BRANDON

STATEMENT 6

UTILITY CAPITAL FUND BALANCE SHEET

AS AT DECEMBER 31, 2008

ASSETS

CASH ON HAND AND ON DEPOSIT - STATEMENT 14			
RECEIVABLES - STATEMENT 14			
Government Grants - Schedule 3			
Own Funds and Agencies			
Other Accounts			
Organizations and Individuals	2,587,673		
Federal Government			
Federal Government Enterprises			
Provincial Government	2,475,680		
Provincial Government Enterprises			
Other Local Governments			5,063,353
CONSTRUCTION IN PROGRESS			1,606,700
FIXED ASSETS			
Buildings		34,436,211	
Machinery and Equipment		5,740,159	
Land		136,143	
Other			40,312,513
DEBT CHARGES RECOVERABLE (CAPITAL ASSETS)			
Debenture Levies		1,140,000	
Deferred Liability Levies			1,140,000
OTHER ASSETS			
TOTAL ASSETS			48,122,566

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS			
Chartered Banks			
Other Financial Institutions			
Own Funds		6,670,053	
Other			6,670,053
PAYABLES			
Organizations and Individuals			
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			
OTHER LIABILITIES			
LONG-TERM DEBT			
Debentures - Schedule 8		8,879,424	
Deferred Liabilities - Note			8,879,424
CAPITAL SURPLUS - STATEMENT 8			32,573,089
TOTAL LIABILITIES AND SURPLUS			48,122,566

STATEMENT 7

TRUST FUND BALANCE SHEET

AS AT DECEMBER 31, 2008

ASSETS

INVESTMENTS

TRUST NAME	CASH	(Schedule 6)	OTHER FUNDS	OTHER	TOTAL
Parks & Recreation			72,218		72,218
Debenture Principal & Interest					
Engineering			880,350		880,350
Community Centres			124,233		124,233
Emergency Preparedness			100,575		100,575
Other			28,710		28,710
TOTAL			1,206,086		1,206,086

LIABILITIES

	PAYABLES	OTHER FUNDS	OTHER	TRUST	TOTAL
Parks & Recreation				72,218	72,218
Debenture Principal & Interest					
Engineering				880,350	880,350
Community Centres				124,233	124,233
Emergency Preparedness				100,575	100,575
Other				28,710	28,710
TOTAL				1,206,086	1,206,086

CITY OF BRANDON

STATEMENT 8

SURPLUS ACCOUNTS AND ALLOWANCE FOR TAX ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2008

ALLOWANCE FOR TAX ASSETS			
Balance, January 1			414,078
Add:	Transfer From Revenue - Statement 10	336,740	
	Profit on Tax Title Sales		
	Transfer From Nominal Surplus		
	Tax Titles Established		
			336,740
	Sub-Total		750,818
Deduct:	Taxes Cancelled - Schedule 1	249,902	
	T.S.C. Cancelled - Schedule 1		
	Tax Titles Written Off - Schedule 1		
	Transfer to Nominal Surplus		
			249,902
Balance, December 31 - Statement 1			500,916
NOMINAL SURPLUS - GENERAL			
Balance, January 1			1,258,006
Add:	Transfer From Deferred Surplus - Statement 9		
	Transfer From Allowance For Tax Assets		
	Operating Surplus - Statement 9		
	Miscellaneous Income	4,399	
	Land change in use from General Capital to Land Inventory	78,009	
	Set Up Prior Years Local Improvement	15,915	
			98,323
	Sub-Total		1,356,329
Deduct:	Accts. Rec. Cancelled		
	Transfer To General Reserve - Schedule 5		
	Transfer To Allowance For Tax Assets		
	Transfer To Revenue - Statement 9		
	Operating Deficit - Statement 9		
Balance, December 31 - Statement 1			1,356,329
NOMINAL SURPLUS - UTILITY			
Balance, January 1			4,134,282
Add:	Transfer From Deferred Surplus - Statement 11		
	Other Transfers (Specify)		
	Operating Surplus - Statement 11		
	Sub-Total		4,134,282
Deduct:	Accts. Rec. Cancelled		
	Transfer To Utility Revenue - Statement 11		
	Operating Deficit - Statement 11		
Balance, December 31 - Statement 4			4,134,282
CAPITAL SURPLUS - GENERAL			
Balance, January 1			58,218,520
Add:	Fixed Assets Acquired - Equipment	6,943,734	
	Fixed Assets Acquired - Land	940,533	
	Fixed Assets Acquired - Buildings	461,554	
	Land change in use from Land Inventory to General Capital	53,895	
	Debentures Redeemed	254,000	
			8,653,716
	Sub-Total		66,872,236
Deduct:	Disposal of Fixed Assets - Equipment	2,020,720	
	Disposal of Fixed Assets - Land	47,558	
	Disposal of Fixed Assets - Buildings		
	Land change in use from General Capital to Land Inventory	78,009	2,146,287
Balance, December 31 - Statement 3			64,725,949
CAPITAL SURPLUS - UTILITY			
Balance, January 1			31,103,491
Add:	Fixed Assets Acquired - Equipment	6,414	
	Fixed Assets Acquired - Land	19,842	
	Fixed Assets Acquired - Buildings		
	Land change in use from Inventory to Utility Land	35	
	Debentures Redeemed	1,443,307	
			1,469,598
	Sub-Total		32,573,089
Deduct:	Disposal of Fixed Assets - Equipment		
	Disposal of Fixed Assets - Land		
	Disposal of Fixed Assets - Buildings		
Balance, December 31 - Statement 6			32,573,089

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

CITY OF BRANDON

STATEMENT 9

GENERAL OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 2008

REVENUE

TOTAL REVENUE FROM TAXATION				26,975,551
OTHER REVENUE				
Taxes Added - Schedule 1			1,817,823	
Licences and Permits			1,946,224	
Fines			443,306	
Parking Meter Fees			242,677	
Sales of Service				
General Government		164,977		
Protection		3,134,003		
Transportation	1,515,352			
Less: Costs		1,515,352		
Environmental Health		1,491,680		
Public Health and Welfare		228,888		
Planning and Development				
Economic Development				
Recreation and Culture		1,234,252	7,769,152	
Sales of Goods				
Rentals of Fixed Assets			452,583	
Concessions and Franchises			164,913	
Returns From Investments			30,899	
Transfers From Utilities and Enterprises				
Tax Penalties - Schedule 1			290,235	
Miscellaneous Revenue			1,128,143	
Grants in Lieu of Taxes - Schedule 3				
Federal Government		345,592		
Federal Government Enterprises				
Provincial Government		1,678,632		
Provincial Government Enterprises				
Other Local Governments				
Non-Government Organizations			2,024,224	
Unconditional Government Transfers - Schedule 3				
Federal Government				
Provincial - Municipal Tax Sharing		6,240,436		
Provincial - Municipal Support Grants		581,442		
Provincial Video Lottery Terminals		833,893		
Other Local Governments			7,655,771	
Conditional Government Transfers - Schedule 3				
Federal Government		2,770,209		
Provincial Government		4,092,635		
Other Local Governments		24,175	6,887,019	30,852,969
TOTAL REVENUE FROM EXTERNAL SOURCES				57,828,520
TRANSFERS FROM ACCUMULATED SURPLUS - STATEMENT 8				
TRANSFERS FROM RESERVES - SCHEDULE 5				1,995,912
OPERATING DEFICIT - STATEMENT 8				
TOTAL				59,824,432

EXPENDITURE

GENERAL GOVERNMENT SERVICES				6,272,465
PROTECTIVE SERVICES				18,591,578
TRANSPORTATION SERVICES				9,688,061
ENVIRONMENTAL HEALTH SERVICES				2,638,741
PUBLIC HEALTH AND WELFARE SERVICES				513,263
ENVIRONMENTAL PLANNING AND COMMUNITY DEVELOPMENT SERVICES				1,581,980
ECONOMIC DEVELOPMENT SERVICES				261,358
RECREATION AND CULTURAL SERVICES				5,708,627
FISCAL SERVICES				4,388,276
TOTAL SERVICES				49,644,349
SURPLUS APPROPRIATIONS				
Deferred Surplus - Operating Deficit				
Deferred Surplus - By-Law Obligation				
Transfer to Reserves - Statement 10			10,180,083	10,180,083
OPERATING SURPLUS - STATEMENT 8				
TOTAL				59,824,432

CITY OF BRANDON

STATEMENT 10

**GENERAL OPERATING FUND
COMPARISON OF BUDGETED AND ACTUAL EXPENDITURE**

FOR THE YEAR ENDED DECEMBER 31, 2008

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
General Government Services				
Legislative	440,676	414,563	26,113	
General Administrative	5,380,671	4,925,690	454,981	
Other General Government	978,765	932,212	46,553	
Total	6,800,112	6,272,465	527,647	
Protective Services				
Police Protection	10,468,839	10,488,051		19,212
Law Enforcement				
Fire Protection	3,812,143	3,429,600	382,543	
Emergency Measures	3,017,270	3,106,970		89,700
Other Protection	1,756,251	1,566,957	189,294	
Total	19,054,503	18,591,578	462,925	
Transportation Services				
Road Transport	5,526,227	5,449,711	76,516	
Administration	1,040,909	1,013,281	27,628	
Engineering	779,102	653,775	125,327	
Roads and Streets	2,560,289	2,699,491		139,202
Bridges, Subways	1,703	701	1,002	
Street Lighting	793,019	799,048		6,029
Traffic Services	254,363	195,377	58,986	
Parking	96,842	88,038	8,804	
Other Road Transport				
Air Transport	337,752	316,422	21,330	
Water Transport				
Public Transit	3,669,850	3,921,928		252,078
Total	9,533,829	9,688,061		154,232
Environmental Health Services				
Garbage and Waste Collection and Disposal	2,442,638	2,630,500		187,862
Other Environmental Health		8,241		8,241
Total	2,442,638	2,638,741		196,103
Public Health and Welfare Services				
Public Health (Cemeteries)	225,850	246,231		20,381
Medical Care				
Hospital Care				
Social Welfare	267,032	267,032		
Total	492,882	513,263		20,381
Environmental Planning and Community Development Services				
Environmental Planning and Zoning	932,593	854,280	78,313	
Community Development	457,845	425,182	32,663	
Housing	86,700	302,518		215,818
Total	1,477,138	1,581,980		104,842
Economic Development Services				
Natural Resources				
Regional Development Commissions	275,850	261,358	14,492	
Industrial Parks and Commissions				
Other Economic Services				
Total	275,850	261,358	14,492	
Recreation and Cultural Services				
Recreation Facilities	3,585,170	3,634,830		49,660
Cultural Buildings and Facilities	447,309	453,067		5,758
Other Recreation and Cultural Services	1,424,693	1,620,730		196,037
Education Grants				
Total	5,457,172	5,708,627		251,455
SUB-TOTALS FORWARD	45,534,124	45,256,073	278,051	

CITY OF BRANDON

STATEMENT 10

GENERAL OPERATING FUND
COMPARISON OF BUDGETED AND ACTUAL EXPENDITURE - CONTINUED

FOR THE YEAR ENDED DECEMBER 31, 2008

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
SUB-TOTALS FORWARD	45,534,124	45,256,073	278,051	
Fiscal Services				
Transfers to Other Governments				
Other Municipal Government				
Transfers to Own Funds	2,343,885	3,925,233		1,581,348
Allowance For Tax Assets - Statement 8	31,740	336,740		305,000
Capital Fund - Statement 13	564,000	1,840,348		1,276,348
Utility Fund - Statement 11	1,748,145	1,748,145		
Contribution to Other Funds				
Phase-in Tax Credit				
Public Debt Charges	698,564	463,043	235,521	
Debenture Debt Charges - Schedule 7	577,716	362,546	215,170	
Other Long-Term Debt Charges				
Interest on Short-Term Financing	120,848	100,497	20,351	
Bank Loan Interest	45,848	24,486	21,362	
Other Fund Loan Interest				
Tax Discounts - Schedule 1	75,000	76,011		1,011
Other Debt Charges				
Debenture Discount				
Debenture Issue Costs				
Other				
Other Fiscal Services				
Total	3,042,449	4,388,276		1,345,827
Transfer to Reserves				
General Reserve				
Specific Reserve				
- Replacement Reserve				
- Capital Development				
- Other	9,115,077	10,180,083		1,065,006
Total	9,115,077	10,180,083		1,065,006
Surplus Appropriations				
Total Estimated	57,691,650			
Total Actual		59,824,432		
Total Underspent				
Total Overspent				2,132,782

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

REVENUE	ESTIMATED	ACTUAL	OVER(UNDER)
Tax Revenue	26,975,551	26,975,551	
Other Revenue	30,716,100	32,848,881	2,132,781
Revenue Surplus (Deficit)	57,691,651	59,824,432	2,132,781
EXPENDITURE	57,691,651	59,824,432	2,132,781
OPERATING SURPLUS (DEFICIT)			

CITY OF BRANDON

STATEMENT 11

UTILITY OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 2008

REVENUE

CONSUMER SALES	METERED	FLAT RATE	TOTAL
All Consumers - Regular Consumption	8,403,611	716,904	9,120,515
All Consumers - Sewer Charges	3,557,715		3,557,715
Bulk Sales	62,911		62,911
Industrial Surcharges	49,868		49,868
Total	12,074,105	716,904	12,791,009
Less: Discounts			
Refunds and Cancellations			12,791,009
SEWER SERVICE CHARGES			
PENALTIES			73,755
HYDRANT RENTALS			257,350
CONSUMER INSTALLATION SERVICE			
CONNECTION REVENUE - NET			
PROVINCIAL GRANTS			
OTHER REVENUE			2,973,164
PROVIDED BY GENERAL OPERATING FUND - STATEMENT 10			
Re: Debentures			1,748,145
Re: Operations			1,748,145
TRANSFER FROM RESERVE FUND - SCHEDULE 5			
TRANSFER FROM ACCUMULATED SURPLUS - STATEMENT 8			
OPERATING DEFICIT - STATEMENT 8			
TOTAL			17,843,423

EXPENDITURE

WATER SUPPLY	7,141,057
SEWAGE COLLECTION AND DISPOSAL	5,062,427
TRANSFER TO CAPITAL - STATEMENT 14	458,806
TRANSFERS TO RESERVE - SCHEDULE 5	2,770,096
DEBENTURE DEBT CHARGES - SCHEDULE 7	2,411,037
OTHER LONG-TERM DEBT CHARGES	
SURPLUS APPROPRIATIONS - STATEMENT 8	
Deferred surplus - Operating Deficit, 19	
19	
19	
OPERATING SURPLUS - STATEMENT 8	
TOTAL	17,843,423

STATEMENT 12

COMPARISON OF UTILITY BUDGETED AND ACTUAL EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 2008

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
Water Supply	7,611,303	7,141,057	470,246	
Sewage Collection and Disposal	4,696,308	5,062,427		366,119
Transfer To Capital	861,250	458,806	402,444	
Transfers To Reserve	1,850,000	2,770,096		920,096
Debenture Debt Charges	2,434,395	2,411,037	23,358	
Other Long-Term Debt Charges				
Surplus Appropriations				
Total Estimated	17,453,256			
Total Actual		17,843,423		
Total Underspent				
Total Overspent				390,167

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

	ESTIMATED	ACTUAL	OVER (UNDER)
REVENUE	17,453,256	17,843,423	390,167
EXPENDITURE	17,453,256	17,843,423	390,167
OPERATING SURPLUS (DEFICIT)			

STATEMENT OF SOURCE AND APPLICATION OF GENERAL CAPITAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2008

SOURCE

UNEXPENDED FUNDS, JANUARY 1		
Cash		
Receivables		
SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
LONG-TERM BORROWING		
Debentures - Schedule 8		
Other		
PREPAID LOCAL IMPROVEMENT LEVIES		
CAPITAL EXPENDITURES FROM REVENUE - STATEMENT 10		1,840,348
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		11,260,799
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER		
TOTAL		13,101,147

APPLICATION

CAPITAL EXPENDITURES	FIXED ASSETS		LOCAL	TOTAL
	CONSTRUCTION	PURCHASE	IMPROVEMENTS	
General Government	1,217,864	265,465	697,747	2,181,076
Protection		1,742,372	136,089	1,878,461
Transportation		4,657,284	848,220	5,505,504
Recreation and Culture	435,036	27,800	418,351	881,187
Environmental Health			2,654,919	2,654,919
Economic Development				
Public Health				
TOTAL	1,652,900	6,692,921	4,755,326	13,101,147

REPAYMENT OF SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
DEBENTURE DISCOUNT AND INTEREST		
REPAYMENT OF ACCOUNTS PAYABLE		
UNEXPENDED FUNDS, DECEMBER 31 - STATEMENT 3		
Cash		
Receivables		
OTHER		
TOTAL		13,101,147

STATEMENT OF SOURCE AND APPLICATION OF UTILITY CAPITAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2008

SOURCE

UNEXPENDED FUNDS, JANUARY 1		
Cash		
Receivables		
SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
LONG-TERM BORROWING		
Debentures - Schedule 8		
Other		
PREPAID LOCAL IMPROVEMENT LEVIES		
CAPITAL EXPENDITURES FROM REVENUE - STATEMENT 11		458,806
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		6,967,515
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER - INTEREST		
TOTAL		7,426,321

APPLICATION

CAPITAL EXPENDITURES	FIXED ASSETS		LOCAL	TOTAL
	CONSTRUCTION	PURCHASE	IMPROVEMENTS	
Water Supply			4,045,370	4,045,370
Wastewater Disposal		6,414	951,503	957,917
Wastewater Treatment			7,152	7,152
Water Treatment			2,415,882	2,415,882
TOTAL		6,414	7,419,907	7,426,321

REPAYMENT OF SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
DEBENTURE DISCOUNT AND INTEREST		
REPAYMENT OF ACCOUNTS PAYABLE		
UNEXPENDED FUNDS, DECEMBER 31 - STATEMENT 6		
Cash		
Receivables		5,063,353
OTHER		
TOTAL		7,426,321

CITY OF BRANDON

SCHEDULE 1

ANALYSIS OF TAX ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2008

	TAXES ON ROLL	TAX SALE CERTIFICATES	TAX TITLES	AGREEMENTS OF SALE
Balance, January 1	2,179,655			
ADD:				
Tax Levy - Schedule 2	52,889,533			
Taxes Added - Statement 9	1,817,823			
Penalties or Interest Added - Statement 9	290,235			
Other Accounts Added	330,810			
Taxes Prepaid				
Transfer Re Tax Sale				
Tax Titles Acquired				
Land Sales				
Tax Adjustments (Specify)				
Difference between levy and financial plan	2			
SUB-TOTAL	57,508,058			
DEDUCT:				
Cash Collections:				
Arrears	54,766,816			
Current	1,979,888			
	52,786,928			
Transfer Re Tax Sale				
Cancellations	249,902			
Returned To Roll				
Title Value of Land Sales				
Transfers Re Titles Acquired				
Tax Discounts - Statement 10	76,011			
M.P.T.C. - Cash Advance	159,144			
Other Credits				
Tax Offsetting Grants	116,553			
TOTAL	2,139,632			
BALANCE, DECEMBER 31	2,139,632			
	(Statement 1)			

SCHEDULE 2

ANALYSIS OF TAX LEVY

FOR THE YEAR ENDED DECEMBER 31, 2008

	ASSESSMENT	MILL RATE	LEVY
Other Governments (L.U.D.)			
Debt Charges			
Frontage			50,865
Mill Rate (At Large)	1,060,018,730	0.278	294,685
Mill Rate (L.I.D.)	1,209,382,230	1.529	1,849,145
Total			2,194,695
Minister of Rural Development	1,060,018,730	0.530	561,810
Deferred Surplus			
Reserves:			
Various By-Law	1,060,018,730	7.024	7,445,572
By-Law			
By-Law			
General Municipal	1,060,018,730	15.776	16,722,855
Special Levies (Specify)			
School Portion of Mobile Home Revenue			(16,661)
Business Tax-Rate % Cable TV 1.00%	6,728,000		67,280
Total Municipal Taxes			26,975,551
Schools			
Prov. Education 1	677,413,810		
Prov. Education 2	348,966,190	16.080	5,611,376
Total Education Support Program	1,026,380,000		5,611,376
Special Division Brandon School Division	1,027,396,540	19.745	20,285,945
Mobile Home Revenue			16,661
Total School Taxes			25,913,982
TOTAL TAX LEVY - SCHEDULE 1			52,889,533

CITY OF BRANDON

SCHEDULE 3

ANALYSIS OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2008

	BALANCE JANUARY 1	GRANTS EARNED (Statement 9)	GRANTS RECEIVED	ADJUSTMENTS	BALANCE DECEMBER 31 (Statement 1)
GENERAL FUND					
PROVINCIAL		16,567,014			487,792
Grants in Lieu		1,678,632	1,836,737	276,786	118,681
Prov. - Mun. Tax Sharing		6,240,436	6,240,436		
Prov. - Mun. Support Grants		581,442	581,442		
VLT Revenues		833,893	833,893		
Conditional Grants	1,033,865	4,092,635	4,785,939		340,561
General Govt.		313	313		
Protection	470,000	1,916,695	2,333,257		53,438
Transportation	493,570	1,642,458	1,949,186		186,842
Environmental Health	20,756	50,756	50,756		20,756
Public Health & Welfare					
Environmental Planning	49,539	435,941	411,035		74,445
Employment Programs					
Economic Development					
Youth Programs		46,472	41,392		5,080
FEDERAL					
Grants in Lieu	1,321	345,592	346,913		
Unconditional Grants					
Conditional Grants (Spec):	919	2,770,209	2,742,578		28,550
Gas Tax		1,316,292	1,316,292		
Transportation		1,447,750	1,419,200		28,550
Energy Retrofit					
Youth Programs	919	6,167	7,086		
Economic Development & Heritage					
LOCAL (Specify name of Govt. and type of grant as above)					
MB Metis Federation - Career Placement	3,462	3,175	6,637		
Riverbank - General Gov't		20,000	20,000		
UCT - Arbor Trail		1,000	1,000		
UTILITY FUND		(Statement 11)			(Statement 4)
Provincial Grant					
Federal Grant					
Local Grant					
GENERAL CAPITAL GRANTS					
(Specify Govt. and type as above):		(Statement 13)			(Statement 3)
PROVINCIAL					
FEDERAL					
LOCAL					
UTILITY CAPITAL GRANTS		(Statement 14)			(Statement 6)
PROVINCIAL					
FEDERAL					
LOCAL					

NOTE: Provincial and Federal includes both Government and Enterprises.

SCHEDULE 4

ANALYSIS OF SCHOOL ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2008

	OUTSTANDING JANUARY 1	CURRENT REQUIREMENT	CURRENT PAYMENTS	OUTSTANDING DECEMBER 31 (STATEMENT 1)
EDUCATION SUPPORT LEVIES	275,537	6,574,051	6,573,572	276,016
SPECIAL LEVIES:				
School Division: <u>Brandon</u>	649,881	16,526,837	16,482,591	694,127

TOTAL	925,418	23,100,888	23,056,163	970,143

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

RESERVE NAME BY-LAW NO.	Affordable Housing 6869	Ambulance 3705	Andrews Field 6251	Brandon Municipal Airport 6353
BALANCE, JANUARY 1	103,018	250,614	40,576	353,914
ADD: Interest Earned	10,022	12,496	2,207	20,203
Appropriation (Statement 10)	250,000		5,000	100,000
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Statement 8)				
Development Agreement Funds				
SUB-TOTAL	363,040	263,110	47,783	474,117
DEDUCT: Purchases (Statement 13)				69,820
Transfer To Revenue (Statement 9)	211,100			
SUB-TOTAL	211,100			69,820
BALANCE, DECEMBER 31 - Statement 2	151,940	263,110	47,783	404,297

RESERVE NAME BY-LAW NO.	Capital Development 4967	Centennial Auditorium 4647	Civic Services Complex 5655	Clare Ave Extension 6722
BALANCE, JANUARY 1	1,642,934	361,000	483,350	155,346
ADD: Interest Earned	79,473	17,928	12,647	9,967
Appropriation (Statement 10)	50,000	25,000	45,000	
Transfer From Surplus Acc. (Stmt. 8)				
Development Agreement Funds	212,037			58,336
SUB-TOTAL	1,984,444	403,928	540,997	223,649
DEDUCT: Purchases (Statement 13)	23,615	25,357	307,499	
Transfer To Revenue (Statement 9)	510,744			
SUB-TOTAL	534,359	25,357	307,499	
BALANCE, DECEMBER 31 - Statement 2	1,450,085	378,571	233,498	223,649

RESERVE NAME BY-LAW NO.	Cumulative Benefits 5179	Disposal Site (Sanitation) 4528	Dyking and Flood Control 4923	E-911 Equipment 6563
BALANCE, JANUARY 1	287,926	1,353,927	791,353	737,227
ADD: Interest Earned	14,357	49,744	39,460	19,072
Appropriation (Statement 10)		1,962,839		75,000
SUB-TOTAL	302,283	3,366,510	830,813	831,299
DEDUCT: Purchases (Statement 13)		2,114,975		643,016
Transfer To Revenue (Statement 9)		49,975		
SUB-TOTAL		2,164,950		643,016
BALANCE, DECEMBER 31 - Statement 2	302,283	1,201,560	830,813	188,283

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

RESERVE NAME BY-LAW NO.	Elections 5760	Fire Fighting Equipment 3708	Fire Vehicles 6731	Gas Tax 6824
BALANCE, JANUARY 1	166,332	283,289	935,583	457,082
ADD: Interest Earned	8,847	20,331	49,682	35,671
Appropriation (Statement 10)	15,000	172,551	138,176	1,120,497
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	190,179	476,171	1,123,441	1,613,250
DEDUCT: Purchases (Statement 13)		3,819	49,512	515,384
Transfer To Revenue (Statement 9)				
SUB-TOTAL		3,819	49,512	515,384
BALANCE, DECEMBER 31 - Statement 2	190,179	472,352	1,073,929	1,097,866
RESERVE NAME BY-LAW NO.	General 3620	Gravel Pit 3652	Kirkcaldy Heights 4050	Land Acquisition 5765
BALANCE, JANUARY 1	965,068	211,680	115,000	428,968
ADD: Interest Earned	49,567	10,555		19,470
Appropriation (Statement 10)				
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	1,014,635	222,235	115,000	448,438
DEDUCT: Purchases (Statement 13)	(28,983)			19,839
Transfer To Revenue (Statement 9)				45,440
SUB-TOTAL	(28,983)			65,279
BALANCE, DECEMBER 31 - Statement 2	1,043,618	222,235	115,000	383,159
RESERVE NAME BY-LAW NO.	Library / Arts Building 5259	Machinery and Equipment 3675	Major Event Hosting 6260	Municipal Building 3653
BALANCE, JANUARY 1	61,901	3,915,375	105,191	28,203
ADD: Interest Earned	3,271	97,984	5,615	1,407
Appropriation (Statement 10)	5,000	1,908,106	10,000	
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	70,172	5,921,465	120,806	29,610
DEDUCT: Purchases (Statement 13)		3,272,829		
Transfer To Revenue (Statement 9)		1,100,000		
SUB-TOTAL		4,372,829		
BALANCE, DECEMBER 31 - Statement 2	70,172	1,548,636	120,806	29,610

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

RESERVE NAME	Municipal Building Maintenance	Office Equipment	Parks	Perpetual Care
BY-LAW NO.	4368	3656	6660	6562
BALANCE, JANUARY 1	321,365	639,725	924,378	407,970
ADD: Interest Earned	10,232	39,978	44,353	21,749
Appropriation (Statement 10)	85,000	450,000	520,000	45,778
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)			35,153	
Development Contributions				
SUB-TOTAL	416,597	1,129,703	1,523,884	475,497
DEDUCT: Purchases (Statement 13)	363,841	333,151	497,535	
Transfer To Revenue (Statement 9)			60,000	
SUB-TOTAL	363,841	333,151	557,535	
BALANCE, DECEMBER 31 - Statement 2	52,756	796,552	966,349	475,497
RESERVE NAME	Police Equipment	Police Vehicles	Professional Fees	Protective Services Bldg
BY-LAW NO.	4442	6730	5886	6729
BALANCE, JANUARY 1	594,094	565,596	93,291	564,531
ADD: Interest Earned	17,485	20,100	4,650	29,389
Appropriation (Statement 10)	230,000	267,809		50,000
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	841,579	853,505	97,941	643,920
DEDUCT: Purchases (Statement 13)	605,681	460,352	16,758	
Transfer To Revenue (Statement 9)				
SUB-TOTAL	605,681	460,352	16,758	
BALANCE, DECEMBER 31 - Statement 2	235,898	393,153	81,183	643,920
RESERVE NAME	Recreation Centre	Snow Clearing	Social Development	Sportsplex
BY-LAW NO.	4750	6540	6564	5066
BALANCE, JANUARY 1	345,061	250,142	8,163	718,036
ADD: Interest Earned	17,732	12,473	407	32,477
Appropriation (Statement 10)	170,000			
Transfer From Surplus Acc. (Stmt. 8)				
SUB-TOTAL	532,793	262,615	8,570	750,513
DEDUCT: Purchases (Statement 13)	196,420			51,347
Transfer To Revenue (Statement 9)				18,653
SUB-TOTAL	196,420			70,000
BALANCE, DECEMBER 31 - Statement 2	336,373	262,615	8,570	680,513

CITY OF BRANDON

SCHEDULE 5

ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

RESERVE NAME BY-LAW NO.	Storm Sewer 3835	Traffic Control Devices 4751	Transit Funding 6881	Transit System Equipment 3654
BALANCE, JANUARY 1	1,787,162	90,784	491,773	2,773,057
ADD: Interest Earned	99,378	4,102	34,330	143,797
Appropriation (Statement 10)	300,000		1,643,545	460,782
Surplus Appropriation (Statement 9)				
Transfer From Surplus Acc. (Stmt. 8)				
<hr/>				
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SUB-TOTAL	2,186,540	94,886	2,169,648	3,377,636
DEDUCT: Purchases (Statement 13)	277,885	9,340	1,431,807	
Transfer To Revenue (Statement 9)				
<hr/>				
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SUB-TOTAL	277,885	9,340	1,431,807	
BALANCE, DECEMBER 31 - Statement 2	1,908,655	85,546	737,841	3,377,636

RESERVE NAME BY-LAW NO.	26th Street South of Maryland 6140	8th Street Bridge 6661		
BALANCE, JANUARY 1	113,782	1,685,770		
ADD: Interest Earned	5,887	86,825		
Appropriation (Statement 10)		75,000		
Transfer From Surplus Acc. (Stmt. 8)				
Development Agreement Funds	18,260			
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SUB-TOTAL	137,929	1,847,595		
DEDUCT: Purchases (Statement 13)				
Transfer To Revenue (Statement 9)				
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SUB-TOTAL				
BALANCE, DECEMBER 31 - Statement 2	137,929	1,847,595		

RESERVE NAME BY-LAW NO.	Water Distribution 6382	Wastewater Distribution 6732	Industrial WWTF 6623	
BALANCE, JANUARY 1	5,097,945	4,762,435	180,941	
ADD: Interest Earned	214,867	148,792	9,577	
Appropriation (Statement 11)	2,270,096	500,000		
Transfer From Surplus Acc. (Stmt. 8)				
Contribution From Maple Leaf			20,001	
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SUB-TOTAL	7,582,908	5,411,227	210,519	
DEDUCT: Purchases (Statement 14)	2,746,812	4,220,703		
Transfer To Revenue (Statement 11)				
<hr/>				
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SUB-TOTAL	2,746,812	4,220,703		
BALANCE, DECEMBER 31 - Statement 5	4,836,096	1,190,524	210,519	

CITY OF BRANDON

SCHEDULE 6

ANALYSIS OF INVESTMENTS

AS AT DECEMBER 31, 2008

TYPE	DUE DATE D/M/Y	INTEREST RATE	INTEREST EARNED	AMOUNT	TOTAL
GOVERNMENT OF CANADA	15/03/08	4.40%	83,974		
PROVINCE OF MANITOBA AND AGENCIES					
OTHER PROVINCES OR PROVINCIAL AGENCIES					
BY-LAW					
DEBENTURES OF OWN MUNICIPALITY	Various	Various	35,341	333,259	333,259
DEBENTURES OF OTHER LOCAL GOVERNMENTS					
MANITOBA INVESTMENT POOL AUTHORITY					
OTHER INVESTMENTS					
Corporate Bonds	Various	Various	346,672	8,877,108	
Bank GIC's	Various	Various	748,430	12,940,000	
Money Market			8,716	532,289	
Bankers Acceptance	28/02/08	4.65%	123,333		
Mortgages Receivable	Various	Various	4,457	244,521	
Brandon Regional Health Authority		6.50%	57,393	780,838	
TOTAL INVESTMENTS					23,708,015

INVESTMENT HOLDINGS

AS AT DECEMBER 31, 2008

	NAME OF RESERVE	RESERVED (Statements 2-5)	TRUST (Statement 7)	UNRESERVED (Statements 14)	TOTAL
GOVERNMENT OF CANADA	Various				
PROVINCE OF MANITOBA					
OTHER PROVINCES OR AGENCIES					
DEBENTURES OF OWN MUNICIPALITY	BY-LAW Various	333,259			333,259
DEBENTURES OF OTHER LOCAL GOVERNMENTS					
MANITOBA INVESTMENT POOL AUTHORITY					
OTHER INVESTMENTS	Various	23,374,756			23,374,756
TOTAL INVESTMENTS					23,708,015

INVESTMENT CHANGES

FOR THE YEAR ENDED DECEMBER 31, 2008

TOTAL INVESTMENTS, JANUARY 1				39,062,233
INVESTMENTS ACQUIRED	Various		7,413,005	7,413,005
INVESTMENTS SOLD				46,475,238
INVESTMENTS MATURED	Various		22,767,223	22,767,223
TOTAL INVESTMENTS, DECEMBER 31				23,708,015

ANALYSIS OF DEBENTURE INDEBTEDNESS

AS AT DECEMBER 31, 2008

SCHEDULE 7

AUTHORITY	PURPOSE	YEAR OF ISSUE	ORIGINAL AMOUNT	PURCHASED BY (A)	PAYABLE	TERM	MATURITY DATE	INTEREST RATE	PRINCIPAL	CURRENT LEVY INTEREST	OUTSTANDING DECEMBER 31
5609/54/88	Sewage Treatment	1988	98,600	E	CDN	20	2008	12.125%	11,865	1,321	
5649/15/89	Sewage Treatment	1988	357,000	B	CDN	20	2008	11.125%	40,672	4,525	
5818/93/90	Sewage Treatment	1990	109,000	B	CDN	20	2009	10.500%	10,846	2,304	11,984
5859/16/91	Sewage Treatment	1991	667,000	B	CDN	20	2010	11.375%	62,120	23,121	146,243
5982/19/92	Sewage Treatment	1991	588,000	B	CDN	20	2011	10.500%	47,916	23,522	176,104
6144-A-1	Sewage Treatment	1993	5,443,000	E	CDN	19	2012	7.875 to 8.50%	380,000	185,078	1,875,000
6427/73/96	Wastewater Treatment Plant	1996	489,000	C	CDN	19	2014	9.000%	29,888	24,527	245,093
6545	9th Street Water Reservoir	2000	3,182,000	E	CDN	10	2010	6.375 to 6.750%	226,000	123,312	1,713,000
6546	Industrial Wastewater Treatment Facility	2000	4,827,000	E	CDN	10	2010	6.375 to 6.750%	343,000	187,061	2,598,000
6544	Direct Discharge/Disinfection	2002	2,770,000	E	CDN	10	2011	4.375 to 5.875%	291,000	70,406	974,000
	SUB-TOTAL -- OTHER								1,443,307	645,177	7,739,424
6687	Water Meter Upgrade	2003	2,500,000	E	CDN	10	2012	4.125 to 5.500%	251,000	71,553	1,140,000
	SUB-TOTAL -- LOCAL IMPROVEMENTS								251,000	71,553	1,140,000

CURRENT LEVY 1,694,307 716,730

TOTAL PRINCIPAL OUTSTANDING, DECEMBER 31, - SCHEDULE 8 8,879,424

NOTE (a): INDICATE WHETHER TOTAL SERIES PURCHASED BY: (A) FEDERAL GOVERNMENT (B) PROVINCIAL GOVERNMENT (C) OWN MUNICIPALITY (D) OTHER MUNICIPALITY (E) PUBLIC

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CITY OF BRANDON

SCHEDULE 8

DEBENTURE CHANGES

FOR THE YEAR ENDED DECEMBER 31, 2008

	GENERAL	UTILITY	TOTAL
OUTSTANDING, JANUARY 1	1,235,524	10,573,731	11,809,255
ISSUED			
LEVIED	290,358	1,694,307	1,984,665
OUTSTANDING, DECEMBER 31			
- Statement 3	945,166		
- Statement 6		8,879,424	
- Schedule 7			9,824,590

SCHEDULE 9

DEBENTURES PENDING

AS AT DECEMBER 31, 2008

AUTHORITY	PURPOSE	SOURCE OF FUNDS	AUTHORIZED	EXPENDED
B/L 6720/E-03-083	McTavish Avenue Improvements		27,000	15,915
B/L 6721/E-03-084	Patricia Heights Development		20,705	18,349
B/L 6919/E-09-035	Police Station		13,000,000	56,155
B/L 6837/E-06-109	Materials Recycling Facility Purchase		2,656,000	2,172,720
B/L 6904/E-08-136	Aquatics Centre Project		5,000,000	141,416
B/L 6930/E-09-041	Fire Hall		11,000,000	263,788
B/L 6916/E-08-185	Soil Remediation		1,250,000	
B/L 6900/E-08-132	Lagoon Expansion Project		5,500,000	1,606,700
		TOTAL		4,275,043
		COMPOSED OF -		
		Bank loans		
		Accounts payable		
		Due to Other Funds		4,275,043
		Other _____		

		TOTAL		4,275,043

SCHEDULE 10

COMPENSATION AND EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2008

COUNCIL MEMBERS

	COMPENSATION	EXPENSES	OTHER	TOTAL
MAYOR Dave Burgess	48,397	50,043		98,440
WARD 1 Doug Paterson	12,134	10,097		22,231
WARD 2 Vincent Barletta	11,934	9,138		21,072
WARD 3 Murray Blight	11,634	6,751		18,385
WARD 4 Jeff Harwood	11,745	6,891		18,636
WARD 5 Jim McCrae	12,084	9,511		21,595
WARD 6 Garth Rice	11,384	6,581		17,965
WARD 7 Ken Fitzpatrick	11,784	7,232		19,016
WARD 8 Margo Campbell	12,784	8,492		21,276
WARD 9 Errol Black	12,182	8,465		20,647
WARD 10 Don Jessiman	14,944	9,240		24,184

COMMITTEE MEMBERS

Board of Revision

Don Cornell	300			300
Wes Shewchuk	180			180
Gary Walker	180			180
Don Partrick	180			180

TOTAL

171,846	132,441		304,287
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CITY OF BRANDON

STATISTICAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2008

TAXABLE ASSESSMENT (PORTIONED)

- Land
- Buildings
- Total Real Property
- Personal Property
- Subject to Grant
- Total Taxable & Grant Property
- Exempt
- Business

TO BE COMPLETED BY DEPARTMENT

POPULATION (LATEST CENSUS OF CANADA)

	41,511
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BUDGET RECONCILIATION - GENERAL FUND

- Revenue - Surplus (Deficit)
- Expended - Under (Over)
- Estimated Surplus (Deficit)
- Operating Surplus (Deficit)
- Operating Surplus (Deficit) - Prior Year
- Gain or (Loss)

	2,132,781
	(2,132,781)

CASH POSITION

- Cash Surplus (Deficit) - Current Year
- Cash Surplus (Deficit) - Prior Year
- Gain or (Loss)

	GENERAL FUND	COMBINED FUND
	(33,472,221)	(33,472,221)
	(46,210,919)	(46,210,919)
	12,738,698	12,738,698

DEFICIT RECOVERIES AND DEFERRED SURPLUS LEVIES

GENERAL FUND OPERATING DEFICITS

Year	Authority			Actual Amount	Recoveries	Outstanding December 31
	Date	Term	Amount			

UTILITY OPERATING DEFICITS

Year	Authority			Actual Amount	Recoveries	Outstanding December 31
	Date	Term	Amount			

BY-LAW OBLIGATIONS

Year	Purpose	By-Law Number	Amount	Amount	Recoveries	Outstanding December 31

TAX COLLECTIONS

TAXES ON ROLL - Current - Cash Collections	52,786,928	
- Tax Credit Programs	159,144	52,946,072
- Arrears		1,979,888
- Total		54,925,960
TAX SALE CERTIFICATES		
LAND SALES		
TOTAL COLLECTIONS		54,925,960

THE CITY OF BRANDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

1. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies of the City:

(a) Revenue Recognition

1. Revenue accounts are maintained using the accrual method of reporting where user fees and other revenue is recognized when the services are performed and the revenue has been earned.
2. Tax Levy, Grants in Lieu and other Grant Revenue are recognized in the period that the levy or grant covers and as the expenditures that the grant covers are incurred.

(b) Expense Recognition

Expense accounts are maintained using the accrual method of reporting, except that principal charges on debentures outstanding from the due date of payment to the end of the year are not accrued.

(c) Inventories

Inventories are stated at cost, using an average cost pricing method, except land inventory which is recorded at cost.

(d) Financial Instruments

The City's financial instruments consist of cash, accounts receivable, temporary and long-term investments, bank indebtedness, accounts payable and long-term debt. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of the financial instruments approximate their carrying values, except investments which are recorded at cost.

(e) Fixed Assets

Fixed assets including land, buildings and equipment are recorded in a capital fund at the following values:

1. Land assets – at cost.
2. Buildings acquired prior to 1997 – at cost, if available, otherwise at 1998 assessed value based on 1995 market values. A reconciliation was performed in 1997 to update the building asset accounts; the cost of all buildings was not available.
3. Buildings acquired subsequent to 1997 – at cost.
4. Other assets acquired prior to 1963 – market value as at 31 December 1962.
5. Additions subsequent to 1963 – at cost.

No amortization is provided on fixed assets.

(f) Capital Assets

Local improvements for roads, sidewalks, wastewater and water distribution systems, etc., are financed by frontage levies, grants or long term debt. The capital assets are recorded in a capital fund at the amount of the outstanding long-term debt.

THE CITY OF BRANDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

(g) Reserves

Reserve funds are established by by-law for the purpose of accumulating funds for future operating and capital expenditures. Appropriations to reserve funds are charged to expenditure in the revenue funds.

(h) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. TANGIBLE CAPITAL ASSETS

The City of Brandon is in the process of implementing the new accounting requirements for tangible capital assets, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The new requirements for tangible capital assets come into effect starting on January 1, 2009.

As at December 31, 2008 the City of Brandon has identified all their tangible capital assets but has only completed the valuation of their general tangible assets. The valuation of the infrastructure assets is underway and is expected to be completed by May 31, 2009.

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. All assets with a value over \$5,000 have been recorded with the exception of computer hardware and software where a \$10,000 threshold has been set.

The cost, less residual value, of the tangible capital asset is amortized on a straight line basis over its useful life. Assets under construction are not amortized until the asset is put into use. No amortization has been recorded in the financial statements.

The estimated useful lives are as follows:

General Tangible Assets

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold Improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of Lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance & road construction equipment	15 years
Computer Hardware and Software	4 years

THE CITY OF BRANDON
NOTES TO THE FINANCIAL STATEMENTS
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Infrastructure Assets**Transportation**

Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years

Water and Sewer

Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

The general tangible capital asset balances at December 31, 2008 are:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
General Tangible Assets			
Land and Land Improvements	7,177,375		7,177,375
Buildings and Leasehold Improvements	106,174,381	38,971,218	67,203,163
Vehicles and Equipment	28,540,692	9,793,959	18,746,733
	\$141,892,448	\$48,765,177	\$93,127,271

3. COMMITMENTS AND CONTINGENCIES**(a) Pension Plan**

The majority of City of Brandon employees participate in the Manitoba Municipal Employees Benefits Program Pension Plan which is a defined benefit pension plan that provides benefits based on length of service and pensionable salaries. This plan is fully funded by employee contributions and a matching employer contribution. The actuarial report as at December 31, 2005 indicates a surplus.

Some employees, who were in the employ of the City of Brandon prior to January 1, 1977, participate in pension plans for employees of the City of Brandon as provided under Pension By-law No. 6678 and 6679, which are both defined benefit pension plans. The actuarial report as at December 31, 2006 indicates a solvency deficiency of \$193,619 for these plans. Allocations to the plan have been increased for 2008 and future to eliminate the deficiency.

The City has agreements with the Brandon Professional Firefighters' Association, the Brandon City Police Association, the Canadian Union of Public Employees Local 69,

THE CITY OF BRANDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

Amalgamated Transit Union Division 1505 and all out of scope employees for a supplementary pension benefit of \$200 per month for those eligible employees who retire after attaining the Municipal Employees benefits Board "rule of 80". The "rule of 80" is achieved when the sum of the employee's age and years of service is 80 or greater. The benefit of this supplementary pension will cease after the earliest of 60 months or the month in which the employee attains age 65.

(b) Environmental Liability

The City of Brandon owns property located on the east side of 1st Street at Pacific Avenue. Soil remediation occurred at this location during 2008. There will be ongoing monitoring requirements, although at this time the duration and extent of these has not been determined. Monitoring costs are not expected to be significant.

In accordance with PSAB's recommendations for environmental liabilities the City of Brandon has performed a risk assessment on potential city owned sites and has determined that there are no material liabilities and that no environmental remediation is required.

(c) Contractual Commitments

- 1) The City of Brandon and the Brandon School Division has entered into an agreement to exchange parcels of land in Blocks 47 and 48 of Plan 15 BLTO. As part of this agreement the City has agreed to pay the former owner of Lots 1 through 5 inclusive, Block 48, Plan 15 BLTO the sum of fifty thousand dollars (\$50,000) should this land be rezoned on or before June 15th, 2014. The City has also agreed to pay the Brandon School Division the sum of sixty five thousand dollars (\$65,000) upon sale of any portion of Lots 1 through 5, Block 48, Plan 15 BLTO.
- 2) The City of Brandon has a contractual obligation to fund 50% of any deficits of the Western Manitoba Centennial Auditorium.
- 3) City Council, at its meeting held November 19, 2001, adopted a resolution to pay to the Keystone Centre, for the duration of the ninety-nine year land lease between the Keystone Centre and CanadInns, an annual grant equal to the municipal portion of taxes collected on the CanadInns hotel development on the Keystone grounds.
- 4) City Council, at its meeting held December 5, 2001, adopted a resolution to pay the Keystone Centre for a ten-year funding commitment in the annual amount of \$250,000 ending in 2011. A further resolution adopted March 31, 2009 extends the annual payments for an additional ten years.
- 5) City Council, at its meeting held April 10, 2006, adopted a resolution to pay the Keystone Centre for a three-year debt and deficit funding commitment in the annual amount of \$125,000 beginning in 2008 and ending in 2010. A further resolution adopted March 31, 2009 extends the annual payments for an additional ten years.
- 6) City Council, at its meeting held September 26, 2005, adopted a resolution to provide an annual grant to the Art Gallery of Southwestern Manitoba in an amount equal to their rent calculated for each year less \$10,000 for the years 2005 through 2009 inclusive. The 2009 grant amount is \$179,646.84.

THE CITY OF BRANDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

- 7) City Council, at its meeting held November 28, 2005, adopted a resolution to pay to the Commonwealth Air Training Plan Museum an annual capital grant beginning in 2006 and ending in 2012. The following annual amounts will be paid:
- | | |
|------|-----------|
| 2009 | \$100,000 |
| 2010 | \$120,000 |
| 2011 | \$125,000 |
| 2012 | \$125,000 |
- 8) The City of Brandon, in a contribution agreement dated June 29, 2006, has agreed to pay Brandon Riverbank Inc the sum of \$10,000 and value-in-kind support annually for the years 2007-2010, for the purpose of developing and maintaining the Winter Lights Park.
- 9) City Council, at its meeting held September 24, 2007, adopted a resolution to enter into a five year agreement with the Royal Canadian Legion Branch #3 to cost share the Remembrance Day Ceremony expenses on a 50% basis up to a maximum of \$1,000 annually beginning in 2008.
- 10) City Council, at its meeting held August 18, 2008, adopted a resolution to provide grant funding to the Massey Harris Integrated Housing Complex in the amount of \$210,000 for 2009.
- 11) City Council, at its meeting held September 8, 2008, passed By-law No. 6893 which agrees to provide financial assistance to Assiniboine Community College a grant equal to the municipal portion of taxes collected on the culinary arts facility for a period of 25 years beginning in 2007 or a maximum of \$20,290,000.
- 12) The City of Brandon has committed up to \$400,000 as a profit guarantee related to the 2010 Mastercard Memorial Cup to be paid should the event experience a net deficit or a net profit less than \$400,000.
- 13) The City of Brandon continues to negotiate with The Brandon Family YMCA with respect to the construction and operation of a joint facility. The City of Brandon has committed to contribute up to \$5,000,000 to the construction of the Recreation Facility. Borrowing of these funds has been authorized by By-Law 6904/E-08-136.

(d) Other

The City of Brandon continues to negotiate with Maple Leaf Foods Inc. and Wyeth Canada Inc. with respect to a major upgrade to the City's wastewater treatment facilities. These major upgrades are highly dependent on the confirmation of significant funding from both senior levels of government. As is evident from the borrowing authorized by By-law No. 6900, the City's commitment to date shall not exceed \$5.5 million. The City has made application under the Building Canada Fund for the necessary senior government funding to help finance the phase III upgrades. The City's contribution to the third and final phase of the upgrade project could require an additional \$10 million investment plus a contribution to Maple Leaf Foods to gain ownership of the assets they fully paid for in phase I of this project. Should the Building Canada Fund application be successful, a multi party financial agreement will be finalized.

4. LEGAL CLAIMS

There are a number of claims pending against the City. The estimated liability for these claims could not be determined as at the end of the year.

**STATISTICAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2008**

**STATEMENT OF CONSOLIDATED INCOME AND EXPENDITURE
GROSS INCOME**

GENERAL OPERATING FUND:			
Total Revenue From External Sources		57,828,520	
Less: Provincial Government Grants	12,593,145		
Federal Government Grants	3,115,801		
Interest Received from Reserves		15,708,946	42,119,574
UTILITY OPERATING FUND:			
Total Revenue		16,095,278	
Less: Provincial Government Grant			
Federal Government Grant			
Hydrant Rentals	257,350	257,350	15,837,928
GOVERNMENT GRANTS			
Provincial Government			
- General Fund		12,593,145	
- Utility Fund			
- General Capital Fund			
- Utility Capital Fund			12,593,145
Federal Government			
- General Fund		3,115,801	
- Utility Fund			
- General Capital Fund			
- Utility Capital Fund			3,115,801
RESERVE FUNDS:			
Interest Earned	1,588,556		
Less: Interest Received on Own Debentures	35,341	1,553,215	
Other Income from External Sources		325,527	1,878,742
CAPITAL FUNDS:			
Debenture Borrowing			
- General			
- Utility			
Short-Term Borrowings:			
Bank - General			
- Utility			
Other - General			
- Utility			
Other Income from External Sources:			
Prepaid Local Improvement Levies			
- General			
- Utility			
Other Grants - General			
- Utility			
Accounts Payable			
- General			
- Utility			
Other			
- General			
- Utility			
TOTAL GROSS INCOME			75,545,190
USE OF PRIOR YEARS' INCOME:			
GENERAL OPERATING FUND:			
Surplus Transfers - General Reserve	1,995,912		
Operating Deficit			
Interest Received from Reserves		1,995,912	
UTILITY OPERATING FUND:			
Transfer from Reserve Fund			
Operating Deficit			
RESERVE FUNDS:			
Operating Deficit			1,995,912
CAPITAL FUNDS:			
Unexpended Funds January 1			
Short-Term Borrowings - Other Funds			
Transferred from Reserves		18,228,314	18,228,314
TOTAL			95,769,416

**STATISTICAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2008**

**STATEMENT OF CONSOLIDATED INCOME AND EXPENDITURE
GROSS EXPENDITURE**

GENERAL OPERATING FUND:			
Total Services (Less: Hydrant Rentals, Statement 11)		59,567,082	
Less: Appropriations to Reserves	10,180,083		
Contributions to Capital	1,840,348		
Contributions to Utility, Transit, and Airport	1,748,145		
Debt Charges	463,043	14,231,619	45,335,463
UTILITY OPERATING FUND:			
Water Supply		7,141,057	
Sewage Collection and Disposal		5,062,427	12,203,484
DEBT CHARGES			
Debenture Debt Charge - General	362,546		
- Utility	2,411,037	2,773,583	
Less: Debenture Debt Charges on Own Debenture held in Reserves -General			
-Utility			2,773,583
Other Debt Charges -General		100,497	
-Utility			
-General Capital Fund			
-Utility Capital Fund			100,497
RESERVE FUND			
Purchase (Excluding those Funds Transferred to Capital Funds)			
Other Transfers to External Recipients			
CAPITAL FUNDS:			
Capital Expenditures -General		13,101,147	
-Utility		7,426,321	20,527,468
Repay Bank Borrowings -General			
-Utility			
Other Transfers to External Recipients			
Repay Other Short-Term Borrowings			
-General			
-Utility			
Repay Accounts Payable -General			
-Utility			
Other -General			
-Utility			
TOTAL GROSS EXPENDITURES			80,940,495
FUNDS AVAILABLE FOR FUTURE YEARS			
GENERAL OPERATING FUND:			
Surplus Appropriations			
Appropriations to Reserves	10,180,083		
Operating Surplus			
Debenture Debt Charges on Debenture held in Reserves		10,180,083	
UTILITY OPERATING FUND			
Surplus Appropriations			
Appropriations to Reserves	2,770,096		
Operating Surplus			
Debenture Debt Charges on Debenture held in Reserves		2,770,096	
RESERVE FUNDS:			
Operating Surplus		1,878,742	14,828,921
CAPITAL FUNDS:			
Repay Short-Term Borrowing - Other Funds			
Unexpended Funds, December 31			
TOTAL			95,769,416